

(b) As the tree-tax has been enhanced, the amount to be paid to the owners of land may also be increased.

Reply of Government.—(a) There is some justification for the complaint. The question of amending the rules will be considered.

(b) This is purely a matter for arrangement by agreement between the owner of the land and the licensee.

REVENUE—(INCOME-TAX).

(Nos. 64 to 67.)

SUBJECT NO. 64.

Reduction of the rate of income-tax levied from joint-stock companies.

Messrs. V. K. Nanjundiah, Gundlupet Municipality; K. S. Channabasappa and G. Venkateshahaiya, Gundlupet Taluk.

Summary of Discussion.—From private individuals, income-tax at the rate of 3 pies in the rupee is being collected, but the rate of tax levied on joint-stock companies is 1 anna in the rupee. This is not just, inasmuch as joint-stock companies have got to maintain a staff and incur incidental expenses. The tax may be reduced, at least, to 6 pies with a view to encourage such companies.

Second Member of Council.—This will be considered in connection with the amendment of the Income-tax Regulation.

SUBJECT NO. 65.

Extension of the period of appeal against the orders of Income-tax Collectors.

Messrs. Soorappa, Narasimhaiya, Sira Taluk, and S. Narayana, Sira Municipality.

Mr. Soorappa.—At least, two months' time may be allowed to prefer appeals against the orders of the Income-tax Collectors, instead of one month as at present.

Dewan.—The time for appeal is fixed as per rules in force in British India. If the appeal comes after 30 days, there is discretion to admit the appeal. The rules cannot be changed.

SUBJECT NO. 66.

Exemption of those who pay profession-tax from the payment of income-tax.

Mr. Bhari Sanna Thippeswami, Molakalmuru Municipality.

Mr. Bhari Sanna Thippeswami.—Municipalities levy a profession-tax in addition to income-tax which is a great hardship to merchants. Those who pay profession-tax may therefore be exempted from paying income-tax.

Dewan.—Profession-tax is a local tax which benefits the Municipalities, but income-tax is a tax which goes to Government. These two are quite different and it is not possible to grant the exemption asked for.

SUBJECT NO. 67.

(a) Appointment of a committee to check the accounts and determine the income-tax payable by each individual.

(b) Relaxation of the rules about accounts under the Income-tax Regulation.

Summary of Discussion.—The rule about accounts is very oppressive. People do not know how to maintain correct accounts and this point has been represented many a time. In many cases persons are made to pay more tax than they should actually pay as per rules. At times, tax is levied from persons not liable to taxation. Relief in these matters is very necessary.

Assessing income on the total "turn over," as at present, is a great hardship. The general presumption that every business man gets a profit does not always hold good.